

VISION 2020 FISCAL RESOURCES TASK GROUP
Meeting Minutes 3/21/13

ATTENDEES: David Garbarino (CoChair), Jonathan Haughton, Pete Howard (Secretary)

ASSESSMENT PROJECT: Gordon & David signed the letter to the Assessors which had been reviewed at earlier meetings. He invited them to this meeting but as far as we know there has been no response. We need to follow up.

WATER&SEWER PROJECT: Gordon presented our letter to the Board of Selectmen at their meeting on 2/25. There was a good discussion. After the meeting, The Town Manager provided a letter from the DPW Director (Ref 1). This letter responds to each of our recommendations. DPW has a consultant considering meter replacement and billing cycles as part of a general rate setting W&S study. We agreed that this matter deserves some follow up when the consultant's report become available.

HUMAN CAPITAL: This was Scott's suggestion. He discussed w/ Planning Director who expressed interest. Jonathan suggested that a Linked In group might be a way to develop a list of Arlington people and their resumes. We need to know more about how groups are established, how managed, how someone looking for particular skills would sort the group. There would need to be buy in from the Town & some publicity to encourage joining. We though this idea deserves consideration.

MY TAX DOLLARS: The Deputy Town Manager said he is willing. Hopefully Gordon will be able to meet w/ him before Town Meeting starts.

GOOGLE GROUP FOR FRTG: We don't understand what this would offer beyond the web site & email list.

LAND VALUE TAX: Not discussed in Heather's absence. Pete forwarded the LVT video to Representative Jay Kaufman at his request during a conversation after a Budget & Revenue Task Force Meeting. Jay had received the LVT paperback from Representative Sean Garbally. Jay chairs the Committee on Revenue.

NEXT MEETING Apr 18 and 3d Thursday on subsequent months.

Ref 1 Rademacher to Chapdelaine, Vision 2020 Water System Recommendations, 2/19/13



PUBLIC WORKS DEPARTMENT
TOWN OF ARLINGTON
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Memo to: Adam Chapdelaine, Town Manager
From: Mike Rademacher, Director DPW
Date: February 19, 2013
Subject: Vision 2020 Water System Recommendations

Adam-

I have reviewed the letter dated February, 2013, from the Arlington Vision 2020 Fiscal Resources Task Group regarding recommendations for improvements to the operation of the Town's Water & Sewer Enterprise System. The items highlighted in the letter have merit and in most cases are issues the DPW are actively pursuing. The following major points were outlined in the letter. I have included comments with each item.

1. *"Work with the MWRA to insure that 'Arlington Water' is not being inappropriately diverted to Belmont."*

Over the past several years there has been one incident which raised concern that this may actually be happening. During FY12, a considerable spike in usage was identified in the MWRA water metering to the Town of Arlington. During that time period, DPW was not able to identify and significant leaks or other reasons for the spike. During the same period, Belmont's usage dropped an amount similar to the increase identified in Arlington. At that time, we contacted the MWRA to inquire if there may be a connection open in their system between Arlington and Belmont which would explain the discrepancy. We were told that it would not be possible for Arlington to feed water into Belmont's system. After several months of the disparity, the usage numbers trended back to more historic values for both Arlington and Belmont. Our usage for FY12 and FY13 (to date) match historical trends.

2. *"Begin a meter replacement program. We suggest replacing meters after 20 years of service."*

We are currently evaluating how a meter replacement program can be implemented. One option for replacement would be a Town wide program which would require significant up front capital costs for both materials and the labor to install the meters. The second option would be a phased installation over 5, 6 or 7 years which would allow the DPW to install meters with our current staff and would limit our annual capital costs for purchasing meters.

A rate setting study currently be performed will help guide which option for replacement will be more advantageous.

3. *"Register estimates of water 'usage' stemming from broken water mains & water main flushing"*

DPW staff currently prepares such estimates.

4. *"Confirm that all town buildings are metered and that their meters are not over 20 years old"*

During the installation of the automated meter reading system, DPW also put in place a program to identify public building not metered and install meters. At this time we have a high confidence that the vast majority of public buildings are metered. The work to fully meter all buildings will also provide better consumption data and allow for better reporting of 'unaccounted for' water.

Older existing meters will be replaced when we finalize the best meter replacement program to adopt.

5. *"institute quarterly W&S billing, reduce the current payment grace period of 60 days to a utility-industry standard of 30 days, and work towards the full implementation of an electric billing/payment process"*

I will ask that the consultant, working on the rate setting study, what impacts this recommendation would have on rates and revenue.

6. *"Accelerate the long-term water-main-replacement program to reduce in-ground losses."*

We currently replace one mile of water main per year at a cost of \$850,000 to \$1,000,000. The funds used for this work are loaned to us by the MWRA at 0% interest. While this is obviously an attractive rate, we are required to pay the loan back over 10 years. We currently carry an annual debt related to water system improvements of approximately \$625,000. Each additional \$1,000,000 borrowed from the MWRA will add \$100,000 to that annually.

In an effort to better guide our program of updating the water system, the DPW has instituted an annual leak detection program to both identify problem areas as well as fix these areas before they become more substantial problems.

It was also recommended in the letter that the Town expand its automated meter reading system to allow residents to track their consumption in an effort to identify leaks on their property. This is a service DPW would ultimately like to provide its customers and will be evaluating it over the next few years. It should be noted that while this would be a good service for residents, it will not affect the 'unaccounted for' water totals. Leaks detected on private property would be after the meter and accounted for in the meter reading for the property.

I am available at your convenience to discuss these items further. They all are items which have merit and in one form or another are currently being evaluated.